
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Shenzhen International Holdings Limited**, you should at once hand this circular with the Election Form (if applicable) to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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Shenzhen International Holdings Limited

深圳國際控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00152)

**SCRIP DIVIDEND SCHEME IN RELATION TO
THE FINAL DIVIDEND
FOR THE YEAR ENDED 31 DECEMBER 2023**

If you **do not** wish to receive your Final Dividend **wholly in Scrip Shares**, you should complete the Election Form in accordance with the instructions printed on it and return it to the Company's branch share registrar, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by 4:30 p.m. on Tuesday, 11 June 2024.

24 May 2024

DEFINITIONS

In this circular, the following expressions have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors
“Company”	Shenzhen International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 00152)
“Director(s)”	the director(s) of the Company
“Election Form(s)”	the form(s) of election in relation to the Scrip Dividend Scheme
“Eligible Shareholder(s)”	Shareholder(s) whose names appear on the register of members of the Company on the Record Date (except Shareholders with registered address in the State of California, the Commonwealth of Pennsylvania and the State of Illinois of the United States)
“Final Dividend”	a final dividend of HK\$0.40 per Share for the year ended 31 December 2023 to be paid to the Shareholders whose names appear in the register of members of the Company as at the Record Date
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Latest Practicable Date”	17 May 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Macau”	the Macau Special Administrative Region of the People’s Republic of China
“Mainland Investors”	those investors of the mainland China holding Shares through China Securities Depository and Clearing Corporation Limited as their nominee under Shanghai Connect and Shenzhen Connect

DEFINITIONS

“Record Date”	Wednesday, 22 May 2024
“Scrip Dividend Scheme”	the scheme proposed by the Directors on 28 March 2024 in relation to the Final Dividend pursuant to which the Eligible Shareholders will receive the Final Dividend wholly by way of an allotment and issue of Scrip Shares unless the relevant Eligible Shareholder elects to receive the Final Dividend wholly in cash or partly in cash and partly in Scrip Shares
“Scrip Share(s)”	the new Share(s) to be allotted, issued and credited as fully paid under the Scrip Dividend Scheme
“Shanghai Connect”	a securities trading and clearing links programme developed by the Stock Exchange, the Shanghai Stock Exchange, Hong Kong Securities Clearing Company Limited and China Securities Depository and Clearing Corporation Limited for the establishment of mutual market access between Hong Kong and Shanghai
“Share(s)”	the ordinary share(s) in the capital of the Company with a par value of HK\$1.00 each
“Shareholder(s)”	shareholder(s) of the Company
“Shenzhen Connect”	a securities trading and clearing links programme developed by the Stock Exchange, the Shenzhen Stock Exchange, Hong Kong Securities Clearing Company Limited and China Securities Depository and Clearing Corporation Limited for the establishment of mutual market access between Hong Kong and Shenzhen
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“United States”	United States of America or any of its territories or possessions

If there is any inconsistency in this circular between the Chinese and English versions, the English version shall prevail.

LETTER FROM THE BOARD



Shenzhen International Holdings Limited

深圳國際控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 00152)

Executive Directors:

Li Haitao *(Chairman)*

Liu Zhengyu *(Chief Executive Officer)*

Wang Peihang

Dai Jingming

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Independent Non-executive Directors:

Pan Chaojin

Zeng Zhi

Wang Guowen

Ding Chunyan

Head Office and Principal

Place of Business:

Rooms 2206-2208

22nd Floor, Greenfield Tower

Concordia Plaza

No. 1 Science Museum Road

Tsimshatsui East, Kowloon

Hong Kong

24 May 2024

To the Shareholders

Dear Sirs or Madams,

**SCRIP DIVIDEND SCHEME IN RELATION TO
THE FINAL DIVIDEND
FOR THE YEAR ENDED 31 DECEMBER 2023**

1. INTRODUCTION

On 28 March 2024, the Board recommended the payment of a final dividend of HK\$0.40 per Share for the year ended 31 December 2023 to the Shareholders whose names appear on the register of members of the Company on the Record Date and that the Final Dividend be satisfied wholly in the form of an allotment and issue of Scrip Shares, while Shareholders will be given an option to receive the Final Dividend wholly in cash in lieu of Scrip Shares, or partly in cash and partly in the form of Scrip Shares. At the annual general meeting held on 14 May 2024, Shareholders approved the payment of the Final Dividend.

LETTER FROM THE BOARD

For the purpose of determining Shareholders' entitlement to the Final Dividend, the Company's register of members was closed from Tuesday, 21 May 2024 to Wednesday, 22 May 2024 (both dates inclusive). The latest time by which transfers were accepted for registration for entitlement to the Final Dividend was 4:30 p.m. on Monday, 20 May 2024.

The purpose of this circular is to set out the procedures which apply in relation to the Scrip Dividend Scheme.

2. DETAILS OF THE SCRIP DIVIDEND SCHEME

2.1 Election available to Eligible Shareholders

Under the Scrip Dividend Scheme, the Eligible Shareholders whose names appear on the register of members of the Company as at the Record Date have the following choices to receive the Final Dividend:

- (a) by way of an allotment and issue of Scrip Shares (the number of which is determined as explained below) having an aggregate market value, save for adjustment for fractional entitlements, equal to the total amount of the Final Dividend which such Shareholder would otherwise be entitled to receive in cash; or
- (b) a cash dividend of HK\$0.40 for each Share held on the Record Date; or
- (c) partly in cash and partly in Scrip Shares.

For Shareholders other than Eligible Shareholders, the Final Dividend will be paid wholly in cash, further details of which are set out in the paragraph headed "Shareholders with Registered Addresses Outside Hong Kong" below.

As at the Latest Practicable Date, the Board confirmed that it has not received any information from the controlling shareholder of its intention to receive the Final Dividend in cash, Scrip Shares or partly in cash and partly in Scrip Shares and particulars thereof.

Final Dividend in cash will be paid out in Hong Kong dollars regardless of the registered address of the Shareholders as at the Record Date.

2.2 Market value

For the purpose of calculating the number of Scrip Shares to be allotted under (a) and (c) above, the market value of the Scrip Shares will be calculated as an amount equal to the average closing price of the Shares as quoted on the Stock Exchange for the five consecutive trading days from Monday, 20 May 2024 to Friday, 24 May 2024 (both dates inclusive) (the "Market Value"). As such, it will not be possible for the Company to determine until the close of business on Friday, 24 May 2024 the exact number of the Scrip Shares to which those Eligible Shareholders electing to receive Scrip Shares (in whole or in part) will be entitled.

LETTER FROM THE BOARD

2.3 Basis of allotment

The number of the Scrip Shares which the Eligible Shareholders will receive, in respect of the existing Shares registered in their names as at the Record Date (i.e. 22 May 2024) will be calculated as follows:

$$\begin{array}{rcl} \text{Number of Scrip} & & \text{HK\$0.40} \\ \text{Shares to be received} & & \text{(the Final Dividend per Share)} \\ \text{(rounded down to the} & = & \text{Number of existing} \\ \text{nearest whole number)} & & \text{Shares held on the} \\ & & \text{Record Date for which} \\ & & \text{cash election is not made} \\ & & \times \frac{\text{Average closing price per Share for} \\ & & \text{the five consecutive trading days} \\ & & \text{commencing on 20 May 2024}}{\text{Average closing price per Share for}} \end{array}$$

An announcement confirming the Market Value of each Scrip Share will be published on the website of Stock Exchange at www.hkexnews.hk and on the Company's website at www.szihl.com after the close of business on Friday, 24 May 2024. The number of the Scrip Shares to be received will be rounded down to the nearest whole number. Fractional entitlements to the Scrip Shares in respect of alternatives (a) and (c) above will be paid in cash (rounded down to the nearest cent) to the relevant Shareholders. The Scrip Shares to be allotted and issued pursuant to the Scrip Dividend Scheme will rank pari passu in all respects with the existing Shares except that they shall not rank for the Final Dividend. The Scrip Shares will be allotted by way of capitalization of the Company's reserves or profits.

Scrip Shares issued to the Eligible Shareholders pursuant to an election to receive some or all of their Final Dividend in Scrip Shares may be allotted in odd lots (of less than a board lot of 500 Shares). No special dealing arrangements will be put in place by the Company to facilitate the trading or disposal of the Scrip Shares issued in odd lots. Eligible Shareholders should be aware that odd lots usually trade at a discount to the price of whole board lots.

3. ADVANTAGES OF THE SCRIP DIVIDEND SCHEME

The Directors consider that the Scrip Dividend Scheme will enable the Eligible Shareholders to increase their investment in the Company without incurring brokerage fees, stamp duty and related dealing costs and the Company will benefit by retaining the cash for its operation.

4. CONDITIONS OF THE SCRIP DIVIDEND SCHEME

The Scrip Dividend Scheme is subject to: (i) approval of the Final Dividend by the Shareholders at the annual general meeting of the Company held on 14 May 2024; and (ii) the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Scrip Shares to be allotted and issued in respect of the Final Dividend.

The Shareholders approved the Final Dividend at the annual general meeting held on 14 May 2024. If the condition (ii) set out above is not satisfied, the Scrip Dividend Scheme will not become effective and the Election Form will be void. The Final Dividend will then be paid wholly in cash.

LETTER FROM THE BOARD

5. EFFECT OF THE SCRIP DIVIDEND SCHEME

Shareholders should note that any receipt of the Scrip Shares by them may give rise to disclosure requirements under Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). **Shareholders who are in any doubt as to how these provisions may affect them are recommended to seek their own professional advice. Shareholders who are in any doubt as to their tax position are also recommended to seek their own professional advice.**

As at the Latest Practicable Date, there are outstanding share options for subscription of 55,454,000 Shares. No dividends will be payable and no voting rights will be exercisable in relation to a share option that has not been exercised. Save as disclosed above, as at the Latest Practicable Date, the Company has no other outstanding options, warrants or other securities in issue which are convertible into or giving rights to subscribe for, convert or exchange into, any Shares, as the case may be.

6. ELECTION FORM

An Election Form is enclosed with this document for use by the Eligible Shareholders who wish to elect to receive the Final Dividend **wholly in cash or partly in cash and partly in Scrip Shares**. If you **do not** wish to receive your Final Dividend **wholly in Scrip Shares**, you should complete the Election Form in accordance with the instructions printed on it and return it to the Company's branch share registrar, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by 4:30 p.m. on Tuesday, 11 June 2024. No acknowledgement of receipt of the Election Form will be issued.

If any Eligible Shareholder does not complete and return the Election Form by 4:30 p.m. on Tuesday, 11 June 2024, the Eligible Shareholder will receive the Final Dividend in the form of Scrip Shares only.

(a) **To receive Scrip Shares only**

If you wish to receive the Final Dividend wholly in the form of Scrip Shares, you **DO NOT** need to take any action. Please **DO NOT** return the Election Form.

(b) **To receive cash only**

If you wish to receive the Final Dividend wholly in cash, please just **SIGN, DATE** and **RETURN** the Election Form.

LETTER FROM THE BOARD

(c) **To receive partly in cash and partly in Scrip Shares**

If you wish to receive the Final Dividend partly in cash and partly in Scrip Shares, you should complete **Box C** of the Election Form and fill in the number of registered Shares held by you on the Record Date for which you wish the Final Dividend to be paid in cash. Please **SIGN, DATE** and **RETURN** the Election Form.

If you complete the Election Form but do not specify the number of Shares in respect of which you wish to receive the Final Dividend in cash, or if you elect to receive cash in respect of a number of Shares greater than your registered shareholding on the Record Date, you will be deemed to have exercised your election to receive cash in respect of all the Shares of which you were then registered as the holder.

The latest time and date for return of the Election Form will be extended, as the case may be, in accordance with (a) or (b) below if there is a Typhoon Signal No. 8 or above or a black rainstorm warning signal or “extreme conditions” announced by the Government of Hong Kong Special Administrative Region:

- (a) in force in Hong Kong at any local time at or before 12:00 noon and no longer in force after 12:00 noon on Tuesday, 11 June 2024. Instead, the deadline for the submission of Election Form will be extended to 5:00 p.m. on the same business day, i.e. Tuesday, 11 June 2024;
- (b) in force in Hong Kong at any local time between 12:00 noon and 4:30 p.m. on Tuesday, 11 June 2024. Instead, the deadline for the submission of Election Form will be extended to 4:30 p.m. on the next business day on which neither of those warnings are in force at any time between 9:00 a.m. and 4:30 p.m. (i.e. Wednesday, 12 June 2024 assuming the aforesaid warnings are not in force).

For Shareholders with registered addresses outside Hong Kong, please refer to the paragraph headed “Shareholders with Registered Addresses Outside Hong Kong” below.

7. SHAREHOLDERS WITH REGISTERED ADDRESSES OUTSIDE HONG KONG

Neither this circular nor the Election Form will be registered in Hong Kong or in any other jurisdiction.

No Shareholder receiving a copy of this circular and/or the Election Form in any jurisdiction outside Hong Kong may treat the same as an invitation to participate in the Scrip Dividend Scheme unless in that relevant jurisdiction, such invitation could lawfully be made to that Shareholder without the Company having to comply with any registration or other legal requirements, governmental or regulatory procedures or any other similar formalities.

Based on the information made available to the Directors, Shareholders whose names appear on the register of members of the Company on the Record Date and whose addresses as shown on such register that were outside Hong Kong were in Shanghai China, Macau, Singapore, and the State of California, the Commonwealth of Pennsylvania and the State of Illinois of the United States.

LETTER FROM THE BOARD

The Directors have made enquiries from the relevant overseas counsels on the legal restrictions and regulatory requirements in relation to the extension of the Scrip Dividend Scheme to the Shareholders in the aforementioned jurisdictions and those Shareholders whose addresses as shown on the register of members of the Company on the Record Date were in Shanghai China, Macau and Singapore are eligible to participate in the Scrip Dividend Scheme. However, Shareholders whose addresses as shown on the register of members of the Company on the Record Date were in the State of California, the Commonwealth of Pennsylvania and the State of Illinois of the United States are not permitted to participate in the Scrip Dividend Scheme and they will receive the Final Dividend wholly in cash.

People's Republic of China

As at the Record Date, there were 2 Shareholders with registered addresses in each of Shanghai China and Macau respectively, who together held an aggregate of 3,350 Shares and 6,137 Shares representing approximately 0.0001% and 0.0003% of the entire issued share capital of the Company, respectively.

In addition, the Directors made the relevant enquiries and they were advised that the Mainland Investors can participate in the Scrip Dividend Scheme through China Securities Depository and Clearing Corporation Limited. As at the Latest Practicable Date, an aggregate of 362,345,077 Shares, representing approximately 15.14% of the entire issued share capital of the Company was held by China Securities Depository and Clearing Corporation Limited. China Securities Depository and Clearing Corporation Limited will provide nominee services for the Mainland Investors to elect to receive the Scrip Shares in respect of all or part of his/her holding of Shares in accordance with the relevant laws and regulations.

The Mainland Investors should seek advice from their intermediaries (including broker, custodian, nominee or China Securities Depository and Clearing Corporation Limited participants) and/or other professional advisers for details of the logistical arrangements as required by China Securities Depository and Clearing Corporation Limited, and provide instructions to such intermediaries in relation to the election to receive the Scrip Shares.

United States

As at the Record Date, there were 3 Shareholders with registered addresses in the United States, who together held an aggregate of 1,737 Shares, representing approximately 0.0001% of the entire issued share capital of the Company. These Shareholders are not permitted to participate in the Scrip Dividend Scheme and will receive the Final Dividend wholly in cash. The Board has been advised by its legal advisers on the laws of the United States and in view of the registration requirements in the United States and procedures the Company would need to follow to obtain an exemption from the registration requirements, Shareholders with registered addresses in the United States will be excluded from participating in the Scrip Dividend Scheme and the Board has considered such exclusion to be necessary and expedient pursuant to Rule 13.36(2)(a) of the Listing Rules. Therefore, SHAREHOLDERS IN THE STATE OF CALIFORNIA, THE COMMONWEALTH OF PENNSYLVANIA AND THE STATE OF ILLINOIS OF THE UNITED STATES ARE NOT ELIGIBLE SHAREHOLDERS AND THIS CIRCULAR HAS BEEN SENT TO SUCH SHAREHOLDERS FOR INFORMATION ONLY AND NO ELECTION FORM HAS BEEN SENT TO SUCH SHAREHOLDERS.

LETTER FROM THE BOARD

Singapore

As at the Record Date, there were 2 Shareholders with registered addresses in Singapore (the “Singaporean Shareholders”), who together held an aggregate of 6,610 Shares, representing approximately 0.0003% of the entire issued share capital of the Company. In Singapore, this circular and the Election Form are addressed solely to and is for the exclusive use of the Singaporean Shareholders. These documents should not be circulated, distributed or given to any person in Singapore other than the Singaporean Shareholders. Any offer or invitation in respect of the Scrip Shares in Singapore is capable of acceptance only by the Singaporean Shareholders and is not transferable. The offer of Scrip Shares to the Singaporean Shareholders is not with a view of these Shares being on-sold in Singapore, and no documents issued by or on behalf of the Company (including this circular and the Election Form) are permitted to be used in any subsequent sale by the Singaporean Shareholders. The Singaporean Shareholders must seek their own professional advice as to whether to elect to receive the Final Dividend in scrip form and if they do elect to receive the Final Dividend in scrip form, they must seek their own professional advice about the legal requirements relating to the future sale of any Shares so acquired.

In accordance with Section 309B of the Securities and Futures Act 2001 (2020 Rev Ed) of Singapore (the “SFA”), the Company has determined, and hereby notifies all relevant persons (as defined under Section 309A(1) of the SFA), that the Scrip Shares are prescribed capital markets products (as defined in the Securities and Futures (Capital Market Products) Regulations 2018 of Singapore) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Notwithstanding the legal enquiries made by the Company, it is the responsibility of Shareholders with a registered address outside Hong Kong or otherwise residing outside Hong Kong to consult their professional advisers as to whether they are permitted to receive the Scrip Shares under the Scrip Dividend Scheme or if any governmental or other consent is required or other formalities need to be observed, the tax consequences of their decision and whether there are any restrictions on their handling of any Scrip Shares so acquired (such as the sale of them). Overseas Shareholders residing in a jurisdiction where their participation in the Scrip Dividend Scheme is not permitted under the law of that place will be deemed to have received this circular and the Election Form for information only.

LETTER FROM THE BOARD

8. LISTING AND DEALINGS

Application will be made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Scrip Shares to be allotted and issued pursuant to the Scrip Dividend Scheme. Subject to the said permission being granted by the Stock Exchange, it is expected that share certificates for the Scrip Shares and/or cheques for cash dividend will be posted by ordinary mail to those entitled thereto at their own risk on or about Thursday, 20 June 2024. Dealings of the Scrip Shares on the Stock Exchange are expected to commence on or about Friday, 21 June 2024 after despatch to the Eligible Shareholders of the share certificates for the Scrip Shares. All Scrip Shares, when allotted, are non-renounceable.

The Shares are listed and dealt in on the Stock Exchange. As at the Latest Practicable Date, the Renminbi-denominated corporate bonds (first tranche of 2021) (Stock Code: 149689), the Renminbi-denominated corporate bonds (first tranche of 2022) (Stock Code: 149768), the Renminbi-denominated corporate bonds (first tranche of 2023) (Stock code: 148372), the Renminbi-denominated corporate bonds (second tranche of 2023) (Stock code: 148398) and the Renminbi-denominated corporate bonds (fourth tranche of 2023) (Stock code: 148465) issued by the Company are listed and dealt in on the Shenzhen Stock Exchange. Save for the above and as at the Latest Practicable Date, no other equity or debt securities of the Company are listed or dealt in on any other stock exchange nor listing or permission to deal on any other stock exchange is being or proposed to be sought.

Subject to the granting of listing of, and permission to deal in, the Scrip Shares to be allotted and issued under the Scrip Dividend Scheme on the Stock Exchange, such Scrip Shares will be accepted as eligible securities by Hong Kong Securities Clearing Company Limited for deposit, clearance and settlement in the Central Clearing and Settlement System. You should seek the advice of your stockbroker or other professional adviser for details of these settlement arrangements and how such settlement arrangements will affect your rights and interests.

9. RECOMMENDATION AND ADVICE

Whether or not it is to the Eligible Shareholders' advantages to receive Scrip Shares or cash, in whole or in part, will depend upon their own individual circumstances. The effect on the tax position of any Eligible Shareholder will depend on that Eligible Shareholder's particular circumstances. If you are in any doubt as to what to do, you should consult your professional advisers. Eligible Shareholders, who are trustees, are recommended to take professional advice as to whether the choice to receive cash or Scrip Shares is within their powers and as to its effect having regard to the terms of the relevant trust instrument.

LETTER FROM THE BOARD

10. EXPECTED TIMETABLE

Latest time and date for submission of transfer forms to qualify for the Final Dividend	4:30 p.m. on Monday, 20 May 2024
Determination of the Market Value of a Scrip Share (Average closing price for 5 trading days)	Monday, 20 May 2024 to Friday, 24 May 2024
Closure of the register of members of the Company for determining Shareholders' respective entitlement to the Final Dividend	Tuesday, 21 May 2024 to Wednesday, 22 May 2024
Record Date	Wednesday, 22 May 2024
Announcement confirming the Market Value of each Scrip Share will be published on the website of the Stock Exchange and the Company's website	after the close of business on Friday, 24 May 2024
Latest time and date for return of the Election Form	4:30 p.m. on Tuesday, 11 June 2024
Despatch of share certificates for the Scrip Shares and/or dividend warrants	Thursday, 20 June 2024
Commencement of dealings in the Scrip Shares	Friday, 21 June 2024

By Order of the Board
Shenzhen International Holdings Limited
Li Haitao
Chairman